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TAGS: [KPAO](#) [PREL](#) [PGOV](#) [PHUM](#) [EG](#)  
SUBJECT: POSSIBLE NEW RESTRICTION ON PRESS FREEDOM IN EGYPT

REF: A. CAIRO 2835  
[1](#)B. CAIRO 2825  
[1](#)C. CAIRO 3543

Sensitive but unclassified. Please protect accordingly.

[1](#)1. (U) According to media reports, Egypt's State Council issued a decree in early December directing the Central Audit Bureau (CAB) to begin monitoring the finances of independent media outlets. The decision has not yet been formally announced and a member of the State Council (Egypt's highest judicial body vis-a-vis administrative issues) commented publicly in recent days that it may be amended prior to release. While the CAB has long monitored the finances of state-owned media outlets and even reviewed some editorial decisions, it has never played a role in the management of Egypt's independent press.

[1](#)2. (SBU) Some journalists view this potential decree as a threat to press freedom, particularly in the wake of the recent prosecutions and convictions of several independent newspaper editors (refs A and B). Essam El Eslamboli, a lawyer with the law firm "United Group" has filed a lawsuit challenging the legality of the State Council's potential action. (Note: The United Group is the recipient of a U.S. AID grant to provide legal assistance to journalists and newspapers. End note.) Other independent journalists appear less concerned. Hisham Kassem, founder of Egypt's leading independent newspaper Al Masry Al Youm, told us recently that while he did not welcome the decision and viewed it as interference, he did not see it as a serious threat.

[1](#)3. (SBU) In a December 12 meeting (ref C), the newly elected chairman of Egypt's Press Syndicate Makhram Mohamed Ahmed responded ambiguously to our questions about the decision. (Note: Ahmed has spent his career with the Al Ahram group of state-controlled newspapers and is widely viewed as close to the government. End note). Ahmed initially told us that he thought the decision would be "ok", but later said it was a "bad thing." He traced the decision to the 1996 liberalization of Egypt's press laws in order to permit independent and political party sponsored newspapers. He said that at the time of the liberalization, "everyone" understood the dangers of foreign funding, whether from Saudi Arabia, the U.S. or Saddam Hussein. He noted that the recent decree was probably a bureaucratic decision and not political, but added that it might have been issued out of concern over alleged Muslim Brotherhood financing of press outlets. He also said the decree might prevent businessman or politicians from paying journalists to publish negative articles about rivals.

[1](#)4. (SBU) Comment: The law authorizing the CAB to review the finances of the independent press has been available since 1996, but never implemented. In light of other recent

developments regarding the press, the potential decision to now implement this long dormant law is worrisome.

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